

CHAPTER TWO

LITERATURE REVIEW

This chapter presents the topic-related literature, which can be categorized into three main aspects:

- 2.1 Definitions of Leadership and Leadership Styles
- 2.2 Major Leadership Theories
- 2.3 Related studies

2.1 DEFINITIONS OF LEADERSHIP AND LEADERSHIP STYLES

Stogdill's study (as cited in Northouse, 2007, p.2) stated in a review of 'leadership' research that leadership has been defined in many different ways. There are a number of ways to complete the sentence "Leadership is ...". Researchers usually define leadership according to their individual perspectives and the aspects of the phenomenon of most interest to them.

According to Armstrong (2006), leadership can be defined as the ability to influence others to act differently. The team leaders are required to achieve the task set for them with the help of the group. Leaders and their team members are therefore interdependent.

Hamilton and Parker (1997) suggested, "leadership is defined as the use of power to promote the goal accomplishment and maintenance of the group" (p. 311). Similarly, เนตรพัฒนา ขาววิราช (เนตรพัฒนา ขาววิราช, 2546) determined that leadership is the ability of an individual to influence, motivate, direct the activities of a group, and enable others to contribute toward the effectiveness and success of the organization.

According to Montana and Charnov (2000), leadership is a series of actions by which one individual influences others to achieve results. The leadership process exists when a manager influences subordinates to achieve the goal defined by top management associates within the organization.

From the given definitions, leadership reflects the assumption that involves a process whereby intentional influence is exerted by one person over other people to guide, structure, and facilitate activities and relationships in a group or organization.

LEADERSHIP STYLES

Leadership style is a special case of interpersonal influence that gets an individual or group to do what the leader wants done (cited in Saowanee Arayakati, 1999).

Meanwhile, Hamilton and Parker (1997, p. 310) stated that a leadership style is the way a leader handles himself or herself and others in a group.

Dubrin (2004) found the following:

Leadership style is the relatively consistent pattern of behavior that characterizes a leader. The study of leadership style is an extension of understanding leadership behaviors and attitudes. Most of classifications of leadership style are based on the dimension of initiating structure and consideration. (p. 111)

2.2 MAJOR LEADERSHIP THEORIES

There are a wide range of publications about leadership in research studies. A review of academic studies on leadership shows that there are a number of different theoretical approaches to explain the process of leadership. Some researchers view leadership as a behavior, whereas others view leadership from an information-processing perspective or from a relational standpoint (Northouse, 2007).

In this study, the researcher will selectively present only the most well-known theories as a framework to approach further study of the subject area.

2.2.1 Trait Theory

This approach is of interest to scholars throughout the 20th century, it was one of the first systematic attempts to study leadership which formed the basis of what is known as the 'Great Man Theory of Leadership'. It is believed that a leader was born, not made and only a limited number of people are uniquely endowed with certain abilities and traits that make it is possible for them to become leaders (Northouse, 2007).

Northouse's trait theory (2007) claims that to become a successful leader in business, there are major traits or qualities that a successful leader must have, such as intelligence, self-confidence, determination, integrity, and sociability.

There are several advantages to viewing leadership from the trait approach. It is intuitively appealing because it fits clearly into the popular idea that leaders are special people. The trait approach also provides an in-depth understanding of the leader component in the leadership process and some benchmarks for what we need to look for if we want to be leaders. (Northouse, 2007).

Although it may be helpful, researchers on leadership do not completely support the trait theory. Most experts believe that good leaders are not born, they are trained. People who are willing to spend time training can become a leader. People who seem to be natural leaders have actually had experience in leadership (Hamilton and Parker, 1997). Moreover many leadership traits, such as communication skills can be learned rather than acquired by heredity.

Montana and Charnov (2000) found that attention to the leadership traits that are learned, not inherited led the managerial researchers to focus upon leadership behaviors. The researchers effectively shifted their focus from the leader's traits to what the leader does. This attempt to understand leadership is called the 'Behavioral Approach' to leadership.

2.2.2 Behavior Theory

This approach examines the behavior of the leader. It is different from the trait approach which examines the characteristics of the leader. The behavior approach focuses exclusively on what leaders do and how they act. It endeavors to investigate the study of the leaders' actions toward their subordinates in various situations (Northouse, 2007). It is a research-based attempt to understand leadership and was developed in several famous university studies of leadership in the business environment.

Iowa Studies

The initial study, led by Kurt Lewin and his team from University of Iowa, undertook what came to be seen as a classic study of three leadership styles: autocratic, democratic, and laissez-faire (นิตยสาร สัมมาพันธ์, 2546).

Autocratic Style

It was found that managers with an autocratic leadership style retain a high degree of control and power over their subordinates. Those managers use one-way communication with their subordinates.

They make decisions without consulting others. Under the autocratic style, the group reaches a decision quickly with fewer errors. Though members led by autocratic leaders are happy that they reach solutions quickly, they tend to display more hostility and are discontent with their low level of participation. Group members rely on their leaders rather than trust in their own abilities and initiative. However, when managing a large group of employees, autocratic leaders were found to be more effective than democratic leaders.

Democratic Style

It was found that managers and subordinates make decisions together. Managers use two-way communication with their subordinates. Although it takes more time under a democratic leader to accomplish a task, motivation and creativity are at higher level compared to autocratic-led groups. Under a democratic leadership, group members experience a high level of personal enjoyment and are more committed to the group and its final decisions.

Laissez-Faire Style

It is the style that definitely affects the behavior of the group. Laissez-faire leadership manager are not involved with the group's decision-making. Managers allow their people to make their own decisions, although they may still be responsible for the outcome. Under 'laissez-faire' leadership manager, the group performances tend to result in a low level of productivity and team member satisfaction. However, the laissez-faire works best in an environment where a group of highly-trained, highly-motivated experts can perform the necessary leadership roles themselves.

Ohio State Studies

Ohio State studies analyzed how individual acted when they were leading a group or an organization. The scientific investigation into leadership styles was performed by researchers with the conviction that the successful leader would show both a high level of task orientation and a high level of employee orientation. This did not prove to be the case.

In many studies, it was found that no one style emerged as always effective. In some context high task orientation has been found to be most effective in a particular situation. In some contexts high employee orientation has been found most effective. Some research has shown that emphasis on both behaviors is the best form of leadership. (Northouse, 2007)

Michigan Studies

Researchers at the University of Michigan identified the two types of leadership behaviors: employee orientation and production orientation with special attention to the impact of a leadership behavior on the performance of small groups. In their initial studies, the researchers compared two units within a large corporation and found that the units were different in terms of leadership style even, though both units achieved were high levels of productivity.

From the studies, one unit had a leadership style high in employee orientation and evidenced high employee job satisfaction, low turnover, and low absenteeism. The other unit had a high task orientation leadership style and showed lower employee job satisfaction, high turnover, and great levels of absenteeism. Both units were highly productive, but the feeling of the employees and their behaviors were completely different. The Michigan studies made clear that even a leadership style judged less effective could lead to increased productivity (Montana & Charnov, 2000).

2.2.3 The Managerial Grid

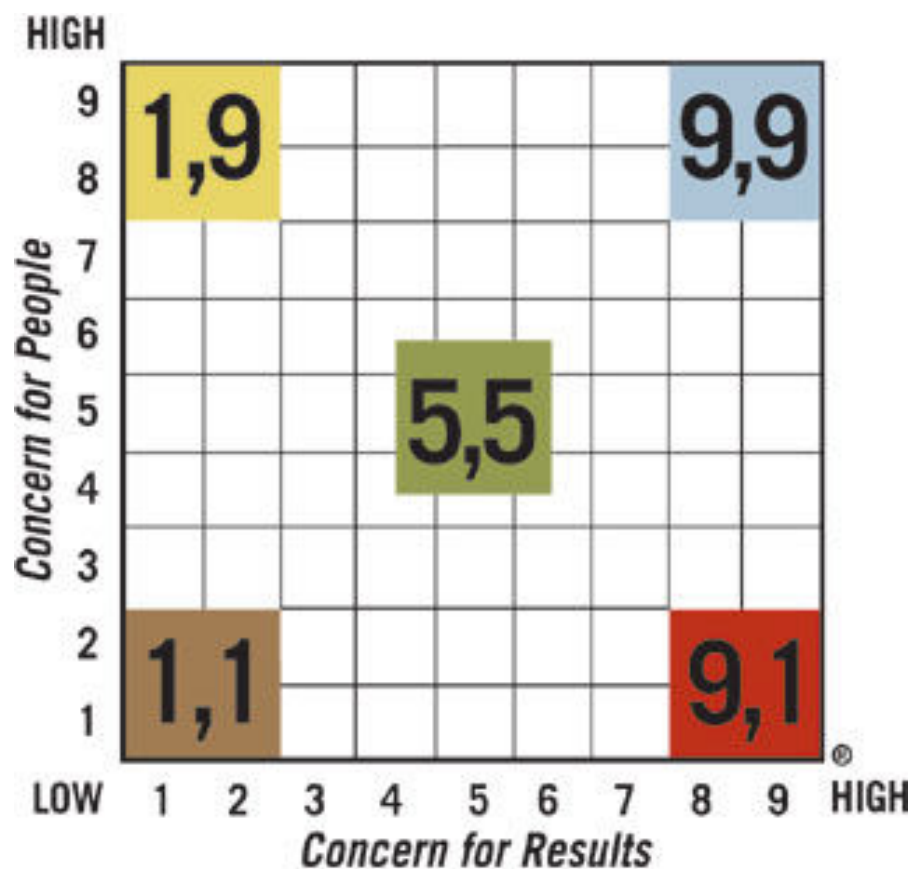
The managerial grid is a popular model of the Behavioral Approach adapted by Robert R. Blake and Jane Srygley Mouton and is widely used in modern business. It is also the best-known model that has been used extensively in organizational training and development. Blake and Mouton proposed that an effective leader is not someone who only uses a mix of task and relationship behaviors, but rather someone who selects specific forms of behavior that simultaneously reflect a concern for both tasks and people (Montana & Charnov, 2000).

The managerial grid joins concern for production and concern for people in a model that has two intersecting axes (figure 1). The horizontal axis represents the leader's concern for production, and the vertical axis represents the leader's concern for people. Each of the axes is drawn as a 9-point scale on which a score of 1

represents minimum concern and 9 represents maximum concern. By plotting scores from each of the axes, various leadership styles can be illustrated.

The managerial grid portrays five major leadership styles: authority-compliance (9,1), country club management (1,9), impoverished management (1,1), middle-of-the-road management (5,5), and team management (9,9).

Figure 1 Leadership Grid



Authority-Compliance (9,1): The leader strongly focuses on tasks and job requirement not on people. Communication is limited and emphasized only for the purpose of giving task instruction. The 9,1 leader is seen as controlling, demanding, hard driving, and over powering. He/she is therefore called an authoritarian manager.

Country Club Management (1,9): The leader has a high concern for people but minimal concern for production. The 1,9 leader tries to create a positive climate by being agreeable, eager to help creating a comforting work environment.

Impoverished Management (1,1): The leader has minimum effort to get the work done. He/she shows equally minimal concern for both people and production. The 1,1 leader is also known as the 'laissez-faire' manager.

Middle-of-the-Road Management (5,5): The leader has an adequate and equal concern for both production and people. Blake and Mouton believed that this often characterized the realistic manager. The 5,5 leader is called the organizational man manager.

Team Management (9,9): The leader strongly emphasizes the importance of both production and people. The leader promotes a high degree of participation and teamwork in the organization. The 9,9 leader is the person who stimulates participation, acts determined, get issues into the open, make priorities clear and behave open-mindedly. He/she is called a democratic leader who represents the ideal management style.

2.3 RELEVANT RESEARCH

Kurt Lewin and colleagues (1939) carried out leadership decision experiments and identified three different styles of leadership. In the study, groups of schoolchildren were assigned to one of three groups with an authoritarian, democratic, or laissez-faire leader. The children were then led through an arts and crafts project. Researchers observed the behavior of children in response to the different styles of leadership.

The finding revealed that the most effective style was democratic. Excessive autocratic styles led to revolution while under a laissez-faire approach, people were not coherent in their work and did not put in the energy that they did when being actively led (Lewin's Leadership Styles, 2005).

Kittipong Sophonthummapharn (2005) conducted a research study to explore the leadership styles of Thai Food Exporters in Thailand. The firms ranged from small companies to large companies and were located throughout the country. The data was collected using a survey questionnaire measuring the leadership style of the employees in managerial positions.

The findings revealed that the majority of leadership styles among managerial staff of the Thai food exporters is a mixture between autocratic leadership (task

concern) and laissez-faire leadership (people concern) although it was more inclined to task concern rather than people concern.

Noppawan Kanjanawan (นพวรรณ กาญจนวรรณ ,2540) studied the leadership styles as perceived and preferred by supervisors and their subordinates of The Electricity Generating Authority of Thailand to find out the most preferred leadership style of supervisors and their subordinates. The samples consisted of 220 supervisors and 379 subordinates answering the 5-rating-scale questionnaire of the studied leadership styles.

The research result showed that the most common leadership style of both supervisors and their subordinates was the team leadership style. This style shows equal concern for both task and people and represent the ideal management style. Since concern for employees is equal to that for task, this is therefore termed “team” or “democratic management”.

Alice H. Eagly et al. (2003) conducted a meta-analysis of 45 studies of transformational, transactional, and laissez-faire leadership styles. The study revealed that female leaders were more transformational (democratic) than male leaders and also engaged in more of the contingent reward behaviors that are a component of transactional leadership. Male leaders were generally more likely to manifest the other aspects of transactional leaderships (active and passive management by exception) and laissez-faire leadership.

Although these differences between male and female leaders were small, the implications of these findings are encouraging for female leadership because other research has established that all of the aspects of leadership style on which women exceeded men relate positively to leaders' effectiveness whereas all of the aspects with which men exceeded women have a negative or no relationship to effectiveness.